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## NEWS RELEASE

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Auditor of State Mary Mosiman today released a report on a special investigation of the University of Northern Iowa International Dance Theatre (IDT) for the period December 1, 2005 through February 28, 2014. The special investigation was requested after certain records were located in the office of the former IDT Director, Daniel Wells.

Mosiman reported the special investigation identified \$15,215.00 of improper disbursements and estimated undeposited collections. The improper disbursements identified include checks totaling \$11,690.00 which Mr. Wells issued to himself from an account established at a local credit union for IDT. The improper disbursements identified also included \$200.00 of cash withdrawals from the IDT account and \$75.00 of overdraft fees. The undeposited collections of \$3,250.00 include estimated ticket sales for certain IDT performances and a payment for a performance at a Germanfest celebration.

Mosiman also reported Mr. Wells issued checks to IDT from his personal account established at a local credit union which total \$8,350.00. The checks were issued between December 10, 2009 and November 29, 2012. In addition, it appears Mr. Wells made purchases for IDT using his personal account and credit card. The purchases identified total \$5,228.72.

The report includes recommendations to strengthen the University's internal controls, such as improvements in internal controls over bank accounts established for student organizations outside the University's accounting system and maintaining supporting documentation for all disbursements from the accounts.

Copies of the report have been filed with the Board of Regents' Office of Internal Audit, the University's Department of Public Safety, the Division of Criminal Investigation, the Black Hawk County Attorney's Office, and the Attorney General's Office. A copy of the report is available for review on the Auditor of State's web site at <http://auditor.iowa.gov/specials/1461-8030-BE01.pdf> and in the Office of Auditor of State.

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**REPORT ON SPECIAL INVESTIGATION OF THE  
UNIVERSITY OF NORTHERN IOWA  
INTERNATIONAL DANCE THEATRE  
FOR THE PERIOD  
DECEMBER 1, 2005 THROUGH FEBRUARY 28, 2014**

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Auditor of State's Report

To the Members of the Board of Regents,  
State of Iowa:

As a result of concerns regarding certain records found in the office of the former Director of the University of Northern Iowa (University) International Dance Theatre (IDT), we have applied certain tests and procedures to an account established at a local credit union for IDT for the period December 1, 2005 through February 28, 2014, or as otherwise noted. Based on our review of relevant information and discussions with University staff, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Interviewed University staff to obtain an understanding of IDT operations.
- (3) Reviewed activity recorded for IDT in the University's accounting system to identify financial support provided by the University, any collections identifiable to IDT, and any specific purchases made on behalf of IDT.
- (4) Reviewed activity in the IDT account to identify any unusual activity.
- (5) Scanned images of checks issued from the IDT account to determine if they supported IDT operations.
- (6) Examined deposits to the IDT account to determine the source, purpose, and propriety of each deposit.
- (7) Obtained and reviewed Mr. Wells' personal statements to identify the source of certain deposits and determine what disbursements, if any, were made from the account to IDT.

These procedures identified \$15,215.00 of improper disbursements and estimated undeposited collections related to the IDT account during the period December 1, 2005 through February 28, 2014. The procedures also identified a number of checks totaling \$8,350.00 issued to IDT from Mr. Wells' personal account established at a local credit union. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **E** of this report.

The procedures described above do not constitute an audit of financial statements conducted in accordance with U.S. generally accepted auditing standards. Had we performed additional procedures for the University of Northern Iowa International Dance Theatre, other matters might have come to our attention that would have been reported to you.

Copies of this report have been filed with the Board of Regents' Office of Internal Audit, the University's Department of Public Safety, the Division of Criminal Investigation, the Black Hawk County Attorney's Office, and the Attorney General's Office.

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the University of Northern Iowa's Department of Public Safety and the School of Health, Physical Education and Leisure Services during the course of our investigation.



MARY MOSIMAN, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

October 31, 2014

Report of Special Investigation of the  
University of Northern Iowa  
International Dance Theatre  
Investigative Summary

**Background Information**

The University of Northern Iowa (University) International Dance Theatre (IDT) is a student organization sponsored by the School of Health, Physical Education & Leisure Services at the University. IDT began in 1957 under the name “UNI Folk Dancers.” According to the IDT’s Constitution, the purpose of the group is to “expose students to a variety of cultures through dance, music, and costuming as well as exposing them to a variety of students from different cultural, social and economic backgrounds”.

IDT performs various multicultural and ballroom dances from around the world at performances throughout the year. According to the University’s website, the student organization typically presents 2 performances each year at the University, including a joint performance with Orchesis Dance Company during the fall and a separate dance performance each spring. The website also states IDT presents numerous road shows and mini-concerts each year.

Membership in IDT was previously open to all men and women in the community. According to the IDT Constitution, not more than 10% of members were to be non-student members, including faculty, graduates, and high school students. However, according to the current Director, membership has recently been limited to University students. The group rehearses twice each week during the academic year in the Wellness & Recreation Center.

IDT is financially supported by the University’s School of Health, Physical Education & Leisure Services (HPELS), the Northern Iowa Student Government (NISG), and the University’s Intercollegiate Academics Fund. These funding sources are accounted for within the University’s accounting system and are maintained by University staff. IDT also collects ticket revenue from its spring performance. The University has not established any policies which require the related collections be deposited to a specific account.

Daniel Wells became the Director of IDT in 2006 and held the position until February 2014. As Director, Mr. Wells prepared, signed, and distributed checks from the non-University account held at a local credit union for IDT (non-University IDT account). In early 2014, the University’s Department of Public Safety assisted a local law enforcement agency in a search of Mr. Wells’ office on the University’s campus. The search was a result of an investigation not related to Mr. Wells’ duties at the University. During the search of his office, certain records related to the non-University IDT account, including blank checks and carbons of issued checks, were discovered. The name which appeared on the checks was:

UNI Folk Dancers  
School of HPELS  
University of Northern Iowa  
Cedar Falls, IA 50614-0241

Based on a preliminary review of the check carbons, it appeared a number of the checks had been issued to Mr. Wells. Because the Director of HPELS was not aware the non-University IDT account existed or why checks were issued to Mr. Wells from the account, an official from the University’s Department of Public Safety contacted the Office of Auditor of State. As a result, we performed the procedures detailed in the Auditor of State’s Report for the period December 1, 2005 through February 28, 2014. Mr. Wells was placed on paid leave on February 19, 2014 as a result of concerns not related to the non-University IDT account identified. His employment contract was not renewed after it expired in May 2014.

## Detailed Findings

These procedures identified \$15,215.00 of improper disbursements and estimated undeposited collections related to the non-University IDT account during the period December 1, 2005 through February 28, 2014. The improper disbursements identified include checks totaling \$11,690.00 which Mr. Wells issued to himself from the non-University IDT account. The improper disbursements identified also include \$200.00 of cash withdrawals from the non-University IDT account and \$75.00 of overdraft fees. The undeposited collections of \$3,250.00 include estimated ticket sales for certain IDT performances and a payment for a performance at a Germanfest celebration.

All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

As previously stated, certain records for a non-University account held for IDT were discovered during a search of Mr. Wells' office by law enforcement officers. The name of the account was UNI Folk Dancers, School of HPELS, University of Northern Iowa. The Director of HPELS was not aware the account existed or why checks were issued to Mr. Wells from the account.

According to a University official, student organizations are allowed to maintain bank accounts outside the University's bank accounts and accounting system. The University has not established any policies regarding bank accounts for student organizations. As a result, the accounts may be maintained by the students, faculty advisors, or other designated individuals. Requirements have not been established regarding controls or monitoring of the bank accounts.

We obtained and reviewed statements for the non-University IDT account for the period December 1, 2005 through February 28, 2014 from the local credit union where it was established. We also obtained and reviewed available supporting documents for activity in the account. The activity in the non-University IDT account is summarized in **Table 1**.

**Table 1**

Description	Academic Year*						
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13^
<u>Beginning Balance</u>	\$ 1,906.74	60.23	11.73	19.74	39.74	17.93	10.93
<u>Deposits from:</u>							
Daniel Wells	-	-	-	110.00	780.00	7,090.00	370.00
Unknown sources	1,335.00	407.00	606.00	230.00	113.00	45.00	600.00
Savings transfers	82.23	-	-	-	-	-	20.66
Interest	1.73	-	.01	-	-	-	-
<u>Disbursements:</u>							
Cash withdrawals	200.00	-	-	-	-	-	-
To Daniel Wells	2,150.00	275.00	378.00	135.00	685.00	7,142.00	925.00
To others	915.47	180.50	220.00	185.00	229.81	-	-
Overdraft fees	-	-	-	-	-	-	75.00
<u>Ending Balance</u>	\$ 60.23	11.73	19.74	39.74	17.93	10.93	1.59

\* - For the year September 1 through August 31.

^ - Through November 29, 2012.

When Mr. Wells became the Director of IDT, the balance of the non-University IDT account was \$1,906.74. As illustrated by the **Table**, during his first academic year as the Director, Mr. Wells

issued \$2,150.00 of payments from the account to himself. The balance of the account at the start of the next academic year was just \$60.23.

Also as illustrated by the **Table**, there were no deposits to the non-University IDT account from Mr. Wells prior to the 2009/10 academic year. However, beginning in the 2009/10 academic year Mr. Wells started depositing funds from his personal account into the non-University IDT account. The number and total amount of deposits from Mr. Wells increased each of the next 2 years. After Mr. Wells began depositing his personal funds into the non-University IDT account, the amounts disbursed to him from the account also began to increase significantly. The total amount of the checks he issued to himself during these years were similar to the amounts he deposited each year from his personal account. Specifically:

- The amount he deposited during the 2009/10 academic year was \$25.00 less than the amount of checks he issued to himself.
- The amount he deposited during the 2010/11 academic year was \$95.00 more than the amount of checks he issued to himself.
- The amount he deposited during the 2011/12 academic year was \$52.00 less than the amount of checks he issued to himself.

The deposits to and disbursements from the non-University IDT account are discussed in detail in the following paragraphs.

**UNDEPOSITED COLLECTIONS**

**Ticket Sales from Spring Performances** - As previously stated, IDT is financially supported by HPELS, NISG, and the University’s Intercollegiate Academics Fund. These funding sources are accounted for within the University’s accounting system and are maintained by University staff. The University’s accounting system also includes collections recorded in certain years for ticket sales. The tickets sale proceeds recorded in the University’s accounting system during fiscal years 2006 through 2014 are summarized in **Table 2**.

<b>Date</b>	<b>Description</b>	<b>Amount</b>
12/31/05	UNI Folk Ensemble 2004 Dance Ticket Sales	\$ 1,052.00
04/22/11	4/20/11 ticket sales for dance concert	500.00
04/30/12	4/27 Concert Ticke [sic] Revenue (net of over/short)	592.00
04/30/13	4/30 ticket sales for IDT concert	148.00
Total		\$ 2,292.00

As stated previously, IDT presents 2 performances at the University each year, including a performance held in the fall and one in the spring. The fall performance is typically held during Family Weekend or Homecoming and is not a ticketed event. However, tickets are sold for the performance held each spring. The University has not established any policies which require the related ticket sale proceeds be deposited to a specific account.

As illustrated by **Table 2**, a deposit to the University account was made during the fall semester of 2005. The entry made on December 31, 2005 was an adjusting journal entry and may have been a correction of a deposit from the spring 2004 performance. As also illustrated by **Table 2**, proceeds from the spring performances held in 2006 through 2010 were not recorded in the University’s accounting system.

We reviewed the deposits in the non-University IDT account and identified deposits which may have been proceeds for IDT's spring performances. The deposits identified are summarized in **Table 3**.

Date	Amount
04/03/06	\$ 306.00
04/03/06	306.00
04/16/07	500.00
04/25/07	110.00
03/26/09	200.00
04/27/09	246.00
05/01/10	190.00
Total	<u>\$ 1,858.00</u>

While reviewing the activity in the non-University IDT account, we also identified a check was issued to the UNI School of Music for \$306.00 on April 3, 2006. The memo portion of the check included the notation "1/2 of concert gross." Based on the activity in the account, it appears \$612.00 was deposited to the non-University IDT account for the 2006 spring concert.

We were unable to determine the source of the deposits listed in **Table 3** because the credit union which holds the account was not able to provide any of the related supporting documentation. As illustrated by the **Table**, no deposits in the spring of 2008 were identified and the deposits in the spring of 2010 totaled only \$190.00.

According to a HPELS staff member we spoke with who was active in IDT as a student, tickets to the spring performance were pre-sold by students and tickets were sold at the door. She also stated the tickets sold were reconciled to the proceeds from the ticket sales after the performance. However, no records of the tickets sales or other activity were maintained. She stated she believed collections from the spring performances, including donations received at the performances, were approximately \$800.00 to \$1,000.00 each spring, based on what she recalled Mr. Wells telling the students. She stated she did not know if the ticket proceeds were deposited to HPELS, the non-University IDT account, or split in some manner between the 2 accounts.

By reviewing statements for the non-University IDT account, we determined \$1,009.75 was deposited to the account on May 1, 2014. The related supporting documentation provided by the credit union which holds the account shows the checks included in the deposit were dated April 27, 2014. The spring performance was presented on the evening of Saturday, April 26, 2014 and the afternoon of Sunday, April 27, 2014. Because \$1,009.75 was deposited for the 2014 spring concert, the estimate provided by the HPELS staff member we spoke with appears reasonable.

Because sufficient records were not maintained, we are unable to determine how much was collected but not deposited for 2008 and 2010. We are also unable to determine if all of the collections for the remaining years were properly deposited. For instance, it would be unusual for exactly \$500.00 to be collected in 2011. However, based on the amount collected and deposited for the 2014 spring performance and the HPELS staff member's estimate collections were approximately \$800.00 to \$1,000.00 each spring, we estimate \$3,100.00 was collected but not deposited for the spring performances in 2007 through 2013. The estimate is illustrated in **Table 4**.

**Table 4**

<b>Year of Performance</b>	<b>Estimated Collections</b>	<b>Amount Deposited<sup>^</sup></b>	<b>Estimated Undeposited Collections*</b>
2007	\$ 800.00	610.00	200.00
2008	800.00	-	800.00
2009	800.00	446.00	350.00
2010	800.00	190.00	600.00
2011	800.00	500.00	300.00
2012	800.00	592.00	200.00
2013	800.00	148.00	650.00
Total	\$ 5,600.00	2,486.00	3,100.00

<sup>^</sup> - Includes deposits to the University account and the non-University IDT account.

\* - Rounded.

The \$3,100.00 of estimated undeposited collections identified in **Table 4** for spring performances is included in **Exhibit A**.

**Performances in Guttenberg** - According to the HPELS staff member we spoke with, who was also active in IDT as a student, IDT received payments for performing at an annual Germanfest in Guttenberg. However, because of scheduling conflicts, IDT was not able to perform at the celebration every year. She also stated a \$500.00 deposit recorded on September 20, 2009 in the account maintained by the University for IDT was a payment for a performance at Germanfest.

Using information found on a website established for the Guttenberg Germanfest and its social media page, we determined IDT performed at the 2012 and 2013 celebrations. We contacted a representative of the celebration to confirm the performances. She stated IDT had performed at the celebration and was paid \$150.00 for recent performances. She also provided copies of the checks issued to IDT for their performances in 2012 and 2013.

We determined the \$150.00 payment for the 2012 performance was deposited to the non-University IDT account. However, the \$150.00 payment for the 2013 performance was not deposited to the account maintained by the University for IDT or the non-University IDT account.

We are unable to determine any other years IDT performed at the festival. The \$150.00 received for the 2013 performance is included in **Exhibit A** as undeposited collections.

### **IMPROPER DISBURSEMENTS**

Disbursements recorded in the University's accounting system for IDT included costs for postage, facility rental, office supplies, travel, and costumes. We scanned the disbursements and discussed them with HPELS staff. Each payment appeared reasonable for IDT's operations.

As previously stated, Mr. Wells became the Director of IDT at the start of the 2006/07 academic year. Based on images of checks we obtained for the non-University IDT account, the first check on the account he signed was dated September 13, 2006. With the exception of a \$10.00 check written and signed by the former account custodian on October 6, 2006, Mr. Wells prepared, signed, and distributed all checks from the account after September 13, 2006.

The balance in the account was \$1,906.74 on September 13, 2006. Prior to Mr. Wells becoming the IDT Director, the account balance ranged from \$1,710.73 to \$2,419.73 between December 1, 2005 and September 18, 2006. However, by August 20, 2007, the first day of classes for the 2007/08 academic year, the balance in the checking account had decreased to \$60.23.

We obtained images of checks issued from the non-University IDT account for the period December 1, 2005 through February 28, 2014 to determine if the disbursements appeared appropriate for IDT's operations. We also discussed certain disbursements with a HPELS accounting staff member. As a result, we identified several improper disbursements which are discussed in detail in the following paragraphs.

**Cash Withdrawals** – We identified a \$50.00 cash withdrawal from the non-University IDT account on March 31, 2006. On April 3, 2006, 2 deposits were made to the account, which appear to be proceeds from ticket sales for the spring concert. As a result, it appears the \$50.00 cash withdrawn from the account was used as a change fund for the spring performance.

We also identified 2 cash withdrawals from the non-University IDT account made in May 2007. Because the withdrawals were made after the semester ended, it is apparent they were not made for the spring concert. In addition, purchases made on behalf of IDT would not be expected at that time of year. The cash withdrawals identified are listed in **Table 5**.

Date	Amount
05/14/07	\$ 100.00
05/21/07	100.00
Total	<u>\$ 200.00</u>

Because supporting documentation for the cash withdrawals were not available from the credit union, we are unable to determine if a signature on the original cash withdrawal slips documented who withdrew the cash from the account. However, as previously stated, Mr. Wells became the IDT Director at the start of the 2006/2007 academic year. All checks issued from the non-University IDT account after September 13, 2006 were signed by Mr. Wells. As a result, it is reasonable to expect Mr. Wells withdrew the cash summarized in **Table 5**.

We were unable to determine the subsequent disposition of the cash withdrawn from the non-University IDT account. However, because purchases made on behalf of IDT would not be expected after the semester ended and IDT activities were completed until the next academic year, the cash withdrawals totaling \$200.00 are included in **Exhibit A** as improper disbursements.

**Checks Issued to Daniel Wells** – We identified 96 checks Mr. Wells issued to himself from the non-University IDT account. The checks range from \$10.00 to \$500.00 and total \$11,690.00. They are listed in **Exhibit B**. The checks Mr. Wells issued to himself are summarized by academic year in **Table 6**.

Academic Year*	Number of Checks Issued	Amount
2006/07	17	\$ 2,150.00
2007/08	6	275.00
2008/09	6	378.00
2009/10	2	135.00
2010/11	10	685.00
2011/12	49	7,142.00
2012/13^	6	925.00
Total	96	<u>\$ 11,690.00</u>

\* - For the period September 1 through August 31.

^ - Through November 29, 2012.

As illustrated by **Exhibit B**, each check was for an even dollar amount. If the payments to Mr. Wells were reimbursements of costs for IDT operations, it would not be expected the reimbursements would be for even dollar amounts. Because the payments are not supported by any documentation or explanations and because of the unusual amounts and the frequency of the payments, the \$11,690.00 of checks Mr. Wells issued to himself from the non-University IDT account is included in **Exhibit A** as improper disbursements.

**Table 6** illustrates the frequency and total amount of the payments to Mr. Wells from the non-University IDT account increased significantly during the 2011/12 academic year. However, as previously stated, Mr. Wells also deposited funds from his personal account which totaled \$52.00 less than the total of the checks he issued to himself from the non-University IDT account during the 2011/12 academic year.

During our review of the checks issued by Mr. Wells, we identified the following:

- From September 26, 2006 through December 19, 2006, Mr. Wells issued himself 5 checks which total \$1,100.00. The first 2 checks were for \$300.00 and \$500.00, respectively, and were issued within 1 month of each other. The next 3 checks were for \$100.00 each and were issued within 1 month of each other. The last 2 checks were issued only a day apart. After these 5 checks were issued, the balance in the non-University IDT account was \$949.50.
- The last check issued to Mr. Wells from the non-University IDT account was check number 1615 for \$200.00. It was dated and cleared the non-University IDT account on September 28, 2012, leaving a \$43.41 deficit balance. Due to the deficit balance, the credit union assessed a \$25.00 overdraft fee to the account on September 28, 2012, which resulted in a \$68.41 deficit balance. The deficit balance remained in the account until a \$70.00 deposit was made on November 29, 2012. The deposit consisted of a single check issued from Mr. Wells' personal account.

After the \$70.00 deposit, the non-University IDT account balance was \$1.59. The balance remained at \$1.59 until February 28, 2014. There was no additional activity in the account.

Of the deposits to the non-University IDT account, we determined 42 included checks issued from Mr. Wells' personal account. The 42 checks from Mr. Wells total \$8,350.00 and were deposited from December 10, 2009 through December 3, 2012. The checks are listed in **Exhibit C** and the \$8,350.00 total is included in **Exhibit A**.

During our review of the deposits, we identified 5 checks which were deposited because there were insufficient funds in the non-University IDT account. The 5 deposits consisted of checks issued from Mr. Wells' personal account. Specifically:

- On December 10, 2009, a \$10.00 check issued from Mr. Wells' personal account was deposited to ensure sufficient funds were in the non-University IDT account to allow a check issued from the account on December 14, 2009 to be honored.
- On April 8, 2010, a \$100.00 check issued from Mr. Wells' personal account was deposited to the non-University IDT account, which brought the balance in the non-University IDT account to \$114.74. Of the \$100.00 deposited, \$55.00 was disbursed through a check redeemed on April 19, 2010. Of the remaining \$45.00 deposited, \$35.00 was disbursed through a check Mr. Wells issued to himself and redeemed on April 19, 2010.
- On September 30, 2010, a \$100.00 check issued from Mr. Wells' personal account was deposited to the non-University IDT account, which brought the balance in the non-University IDT account to \$119.74. Of the \$100.00 deposited, \$77.81 was

disbursed through a check to Hancock Fabrics redeemed on October 4, 2010. Of the remaining \$22.19 deposited, \$20.00 was disbursed through a check Mr. Wells issued to himself and redeemed on October 12, 2010.

- Mr. Wells issued a \$50.00 check from the non-University IDT account to UNI-School of HPELS on March 1, 2011, which is the same date a \$50.00 check issued from his personal account was deposited.
- On November 29, 2012, a \$70.00 check issued from Mr. Wells' personal account was deposited to the non-University IDT account. Prior to the deposit, the non-University IDT account had a deficit balance of \$68.41. After the deposit of Mr. Wells' \$70.00 check, the balance in the non-University IDT account increased to \$1.59. There was no additional activity in the account through the end of our testing on February 28, 2014.

The \$68.41 deficit balance was created by a \$200.00 check Mr. Wells issued to himself from the non-University IDT account and redeemed on September 28, 2012 and the related overdraft charge of \$25.00 applied to the account on the same day. The deficit balance in the non-University IDT account remained in the account for 2 months.

The remaining 37 checks from Mr. Wells' personal account do not appear to be repayments for funds previously withdrawn from the non-University IDT account and they do not appear to be deposited in order to finance subsequent purchases for the organization. Instead, it appears Mr. Wells deposited checks from his personal account to the non-University IDT account for IDT to take advantage of the time it took for checks to clear each of the 2 credit unions. Mr. Wells used the non-University IDT account to create temporary "loans" to himself. In nearly every instance, the check written between the 2 accounts exceeded the balance in either account and the transactions inflated the balance in each account.

Mr. Wells was the check signer for both accounts. Neither account had sufficient funds for many of these transactions, but the checks were honored because the financial institutions credited the receiving account when the checks were deposited but did not debit the paying accounts until a day or more after each corresponding check was redeemed. With deposits credited at least a day prior to the corresponding check debiting each account, Mr. Wells created the impression of having a actual balance in each account. In effect, these transactions allowed him to receive a series of interest-free loans until a true deposit was received.

We also determined the majority of these transactions occurred near the end of the month, when the balance in Mr. Wells' personal account was typically low and just prior to the deposit of his monthly payroll from the University.

**Exhibit D** lists and compares the checks from Mr. Wells' personal account deposited in the non-University IDT account to the checks Mr. Wells issued to himself from the non-University IDT account. The **Exhibit** illustrates how Mr. Wells used the non-University IDT account to float checks and extend a series of short-term, interest-free loans in his personal account.

**Overdraft Fees** – During our review of the monthly statements for the non-University IDT account, we identified 3 instances where sufficient funds were not available for checks drawn on the account. Each instance identified was in September 2012. The credit union charged a \$25.00 fee for each of the 3 instances.

Sufficient funds were not available in the non-University IDT account because of the number of checks Mr. Wells improperly issued to himself prior to September 2012. As illustrated by **Exhibit B**, Mr. Wells did not issue any checks to himself from the non-University IDT account after September 25, 2012.

The \$75.00 of overdraft fees are included in **Exhibit A** as improper disbursements.

## OTHER CONSIDERATIONS

**Costume Purchases** – During our review of Mr. Wells’ personal account statements and his credit card statements, we identified purchases which appeared to be for IDT costumes. We prepared a list of the purchases and discussed them with a HPELS staff member who was active in IDT as a student. The staff member confirmed it was reasonable the purchases were for IDT costumes based on the vendors, the dates the purchases were made, and the amounts paid. The purchases identified are listed in **Exhibit E** and summarized by academic year in **Table 7**.

**Table 7**

<b>Academic Year*</b>	<b>Number of Purchases</b>	<b>Amount</b>
2006/07	5	\$ 156.22
2007/08	9	667.24
2008/09	3	337.75
2009/10	10	1,270.61
2010/11	21	2,436.17
2011/12	9	357.59
2012/13^	1	3.14
Total	58	\$ 5,228.72

\* - For the period September 1 through August 31.

^ - Through October 31, 2012.

While sufficient funds were available in the non-University IDT account for the 2006 and 2007 purchases listed in **Exhibit E**, sufficient funds were not available in the account to allow for the purchases made in 2008 or later years.

Because the purchases are reasonable for IDT costumes and were paid for using Mr. Wells’ personal account and his credit card, the \$5,228.72 is included in **Exhibit A**.

## RECOMMENDED CONTROL PROCEDURES

As part of our investigation, we reviewed the University's procedures for processing transactions associated with the International Dance Theatre, which is a student organization. We also obtained an understanding of the University's policy for bank accounts established outside the University's accounting system for student organizations. An important aspect of internal control is to establish policies and procedures that provide accountability for assets susceptible to loss from error and irregularities. These policies and procedures provide the actions of one individual will act as a check on those of another and provide a level of assurance errors or irregularities will be identified within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen the University's internal controls related to student organizations.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. Disbursements made by the University for the International Dance Theatre (IDT), a student organization, were authorized by the former faculty advisor. While the balance of the account maintained by the University for IDT was reviewed to ensure sufficient funds were available before disbursements were processed, no one formally approved the disbursements submitted by the former faculty advisor.

In addition, the former faculty advisor, who also was the IDT Director, was responsible for the collection and deposit of proceeds from ticket sales for IDT performances.

Recommendation – To ensure the propriety of disbursements from student organization accounts, procedures should be implemented which provide documentation of review and approval of claims submitted for processing through the University's accounting system. Specifically, faculty advisors should review and approve disbursements submitted by a designated officer or officers of the student organization.

In addition, when funds are collected for student organizations, the duties of collecting, preparing, and depositing the collections should be segregated among one or more designated officers or members of the student organization. Sufficient records, such as ticket stubs, collection counts, and related reconciliations, should be maintained and compared to deposits recorded in the University's accounting system.

Members of the student organizations should also periodically obtain copies of financial transactions recorded in the University's accounting system for the student organization and review the transactions for propriety.

- B. University Policies – The University has not established any policies regarding the establishment of bank accounts for student organizations. As a result, accounts established on behalf of student organizations may be maintained by the students, faculty advisors, or other designated individuals. Requirements have not been established regarding controls or monitoring of the bank accounts.

In addition, the University has not established any policies regarding financial transactions of student organizations. Procedures regarding how or where the student organizations' financial transactions are processed have not been established. Because some student organizations may have a non-University bank account in addition to the account maintained by the University for the student organization, there is no guidance regarding which account should be used for specified transactions.

Recommendation – University officials should consider establishing policies regarding the financial transactions of student organizations to provide accountability for student organizations' funds. If University officials determine it is acceptable to continue to allow

student organizations to maintain non-University bank accounts, procedures should be developed which provide sufficient oversight and monitoring of the accounts. Factors to consider when developing the procedures include, but are not be limited to, the following:

- Segregation of Duties - An important aspect of internal control is the segregation of duties to prevent individuals from handling duties which are incompatible. Specifically, the duties for collecting and depositing funds should be segregated from recording the collections. In addition, duties for making purchases, receiving certain goods and/or services, maintaining supporting documentation, preparing, signing and distributing checks and recording payments should be properly segregated.
- Approvals - Disbursements from the accounts should be reviewed and approved prior to payment by the faculty advisor and designated officers or members of the organization who do not have other duties related to the disbursement of the organizations' funds.
- Supporting Documentation - Disbursements from the accounts should be supported by sufficient invoices, receipts, or other applicable documentation which illustrate the purpose, review, and approval of the payments. The supporting documentation should be maintained in a systematic manner.
- Monthly Oversight of Activity - Bank statements should be delivered to the faculty advisor or a designated officer or member of the student organization who is independent of collecting, depositing, disbursing, or recording financial transactions. The statements should be reviewed and any irregularities should be resolved in a timely manner. The reviews should be documented by the signature or initials of the reviewer and the date of the review.
- Periodic Oversight by University Staff - University staff familiar with the student organizations' operations should periodically review the bank statements of non-University accounts to ensure the propriety of the transactions.

University officials should also develop guidance to be provided to student organizations regarding the types of transactions which should be recorded in the accounts maintained by the University and the types of transactions which should be recorded in the non-University accounts established by the student organizations. This guidance should be followed on a consistent basis by the student organizations. For instance, ticket sales proceeds for some of IDT's spring performances were deposited in the account maintained by the University. For other performances, proceeds were deposited to the non-University IDT account.

## **Exhibits**

Report on Special Investigation of the  
University of Northern Iowa  
International Dance Theatre

Summary of Findings  
For the period December 1, 2005 through February 28, 2014

<b>Description</b>	<b>Exhibit/Table</b>	<b>Amount</b>	
Undeposited collections:			
Ticket sales from spring performances, estimated	<b>Table 4</b>	\$ 3,100.00	
Performances in Guttenberg	<b>Page 9</b>	150.00	\$ 3,250.00
Improper disbursements:			
Cash withdrawals	<b>Table 5</b>	200.00	
Checks to Daniel Wells	<b>Table 6/Exhibit B</b>	11,690.00	
Overdraft fees	<b>Page 12</b>	75.00	11,965.00
Total undeposited collections and improper disbursements			15,215.00
Other considerations:			
Checks from Daniel Wells	<b>Exhibit C</b>		(8,350.00)
IDT purchases by Daniel Wells	<b>Table 7/Exhibit E</b>		(5,228.72)
Net amount			<u>\$1,636.28</u>

**Exhibit B**

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Report on Special Investigation of the  
University of Northern Iowa  
International Dance TheatreChecks Issued to Daniel Wells  
For the period December 1, 2005 through February 28, 2014

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Check Amount</b>
09/24/06	1328	Daniel Wells	\$ 300.00
10/20/06	1329	Daniel Wells	500.00
11/21/06	1330	Daniel Wells	100.00
12/14/06	1334	Daniel Wells	100.00
12/14/06	1335	Daniel Wells	100.00
01/12/07	1336	Daniel Wells	100.00
01/25/07	1337	Daniel Wells	100.00
02/01/07	1339	Daniel Wells	300.00
02/05/07	1340	Daniel Wells	200.00
03/19/07	1341	Daniel Wells	50.00
04/11/07	1344	Daniel Wells	20.00
04/19/07	1346	Daniel Wells	50.00
04/24/07	1347	Daniel Wells	50.00
05/23/07	1592	Daniel Wells	50.00
06/01/07	1616	Daniel Wells	50.00
07/05/07	1593	Daniel Wells	40.00
08/06/07	1594	Daniel Wells	40.00
09/12/07	1617	Daniel Wells	100.00
09/22/07	1618	Daniel Wells	40.00
09/25/07	1596	Daniel Wells	25.00
10/28/07	1619	Daniel Wells	20.00
07/15/08	1666	Daniel Wells	40.00
07/21/08	1667	Daniel Wells	50.00
09/28/08	1620	Daniel Wells	50.00
10/18/08	1643	Daniel Wells	50.00
03/26/09	1691	Daniel Wells	78.00
04/23/09	1692	Daniel Wells	100.00
08/09/09	1668	Daniel Wells	50.00
08/20/09	1669	Daniel Wells	50.00

Report on Special Investigation of the  
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International Dance Theatre

Checks Issued to Daniel Wells  
For the period December 1, 2005 through February 28, 2014

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Check Amount</b>
04/16/10	1699	Daniel Wells	35.00
06/05/10	1697	Daniel Wells	100.00
09/24/10	1670	Daniel Wells	20.00
10/09/10	1671	Daniel Wells	20.00
10/25/10	1698	Daniel Wells	50.00
10/27/10	1672	Daniel Wells	100.00
01/28/11	1674	Daniel Wells	100.00
04/27/11	1645	Daniel Wells	50.00
07/22/11	1647	Daniel Wells	25.00
08/26/11	1646	Daniel Wells	100.00
08/27/11	1648	Daniel Wells	50.00
08/29/11	1650	Daniel Wells	170.00
09/19/11	1649	Daniel Wells	10.00
09/24/11	1651	Daniel Wells	100.00
09/25/11	1652	Daniel Wells	20.00
09/26/11	1653	Daniel Wells	120.00
09/29/11	1655	Daniel Wells	120.00
10/15/11	1656	Daniel Wells	12.00
10/17/11	1657	Daniel Wells	100.00
10/17/11	1676	Daniel Wells	20.00
10/17/11	1661	Daniel Wells	70.00
10/18/11	1658	Daniel Wells	130.00
10/19/11	1662	Daniel Wells	200.00
10/22/11	1663	Daniel Wells	250.00
10/22/11	1664	Daniel Wells	150.00
10/24/11	1677	Daniel Wells	250.00
10/24/11	1665	Daniel Wells	200.00
10/25/11	1680	Daniel Wells	300.00
10/25/11	1678	Daniel Wells	200.00

**Exhibit B**

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Report on Special Investigation of the  
University of Northern Iowa  
International Dance TheatreChecks Issued to Daniel Wells  
For the period December 1, 2005 through February 28, 2014

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Check Amount</b>
10/27/11	1685	Daniel Wells	50.00
11/27/11	1681	Daniel Wells	60.00
11/28/11	1682	Daniel Wells	100.00
12/22/11	1683	Daniel Wells	100.00
12/24/11	1684	Daniel Wells	150.00
12/27/11	1686	Daniel Wells	50.00
12/26/11	1688	Daniel Wells	200.00
01/21/12	1700	Daniel Wells	100.00
01/23/12	1709	Daniel Wells	50.00
01/24/12	1702	Daniel Wells	200.00
01/25/12	1701	Daniel Wells	50.00
01/25/00 ^	1704	Daniel Wells	50.00
01/25/12	1703	Daniel Wells	250.00
01/28/12	1705	Daniel Wells	50.00
02/06/12	1706	Daniel Wells	50.00
02/17/12	1689	Daniel Wells	200.00
02/19/12	1690	Daniel Wells	50.00
02/20/12	1707	Daniel Wells	50.00
02/21/12	1708	Daniel Wells	350.00
02/21/12	1710	Daniel Wells	350.00
02/22/12	1711	Daniel Wells	100.00
04/27/12	1712	Daniel Wells	150.00
04/28/12	1713	Daniel Wells	150.00
05/25/12	1714	Daniel Wells	200.00
05/28/12	1715	Daniel Wells	300.00
08/19/12	1601	Daniel Wells	100.00
08/22/12	1602	Daniel Wells	200.00
08/23/12	1603	Daniel Wells	200.00
08/27/12	1604	Daniel Wells	400.00

Report on Special Investigation of the  
University of Northern Iowa  
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Checks Issued to Daniel Wells  
For the period December 1, 2005 through February 28, 2014

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Check Amount</b>
08/27/12	1605	Daniel Wells	50.00
08/28/12	1607	Daniel Wells	480.00
08/28/12	1606	Daniel Wells	50.00
09/02/12	1609	Daniel Wells	200.00
09/11/12	1610	Daniel Wells	50.00
09/17/12	1611	Daniel Wells	100.00
09/19/12	1612	Daniel Wells	300.00
09/24/12	1614	Daniel Wells	75.00
09/25/12	1615	Daniel Wells	200.00
Total			<u>\$ 11,690.00</u>

^ - The image of check #1704 shows the check date was 01/25/00. However, based on images of other checks issued the same day, the date should have been 01/25/12.

**Exhibit C**

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Report on Special Investigation of the  
University of Northern Iowa  
International Dance TheatreChecks from Daniel Wells  
For the period December 1, 2005 through February 28, 2014

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Amount</b>
12/10/09	1093	UNI Folk Dancers	\$ 10.00
04/08/10	1139	UNI Folk Dancers	100.00
09/30/10	1099	UNI Folk Dancers	100.00
10/26/10	1152	UNI Folk Dancers	50.00
10/28/10	1154	UNI Folk Dancers	100.00
01/29/11	1230	UNI Folk Dancers	100.00
03/01/11	1239	UNI Folk Dancers	50.00
04/28/11	1245	UNI Folk Dancers	50.00
08/29/11	1205	UNI Folk Dancers	160.00
08/30/11	1283	UNI Folk Dancers	170.00
09/25/11	1290	UNI Folk Dancers	120.00
09/28/11	1293	UNI Folk Dancers	120.00
09/29/11	1294	UNI Folk Dancers	130.00
10/17/11	1297	UNI Folk Dancers	120.00
10/18/11	1264	UNI Folk Dancers	200.00
10/20/11	1265	UNI Folk Dancers	200.00
10/23/11	1267	UNI Folk Dancers	400.00
10/25/11	1269	UNI Folk Dancers	450.00
10/27/11	1272	UNI Folk Dancers	550.00
11/28/11	1207	UNI Folk Dancers	60.00
11/28/11	1208	UNI Folk Dancers	110.00
12/23/11	1298	UNI Folk Dancers	100.00
12/27/11	1184	UNI Folk Dancers	200.00
12/28/11	1185	UNI Folk Dancers	250.00

Report on Special Investigation of the  
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Checks from Daniel Wells  
For the period December 1, 2005 through February 28, 2014

<b>Check Date</b>	<b>Check Number</b>	<b>Payee</b>	<b>Amount</b>
01/23/12	1160	UNI Folk Dancers	150.00
01/24/12	1191	UNI Folk Dancers	250.00
01/29/12	1193	UNI Folk Dancers	300.00
02/20/12	1196	UNI Folk Dancers	300.00
02/21/12	1211	UNI Folk Dancers	350.00
02/26/12	1161	UNI Folk Dancers	450.00
04/27/12	1213	UNI Folk Dancers	150.00
04/30/12	1165	UNI Folk Dancers	150.00
05/28/12	1167	UNI Folk Dancers	200.00
05/28/12	1169	UNI Folk Dancers	300.00
08/21/12	1214	UNI Folk Dancers	100.00
08/23/12	1215	UNI Folk Dancers	400.00
08/27/12	1216	UNI Folk Dancers	450.00
08/29/12	1217	UNI Folk Dancers	530.00
09/12/12	1222	UNI Folk Dancers	50.00
09/18/12	1223	UNI Folk Dancers	100.00
09/23/12	1224	UNI Folk Dancers	150.00
11/29/12	1309	UNI Folk Dancers	70.00
Total			<u>\$ 8,350.00</u>

Report on Special Investigation of the  
University of Northern Iowa  
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Selected Transactions Between Daniel Wells' Personal Account and the Non-University IDT Account  
For the period December 1, 2005 through February 28, 2014

<b>Daniel Wells' Personal Account</b>					
<b>Per Check Image</b>			<b>Date Cleared Bank</b>	<b>Deposit</b>	
<b>Check Date</b>	<b>Check Number</b>	<b>Amount</b>		<b>Bank Date</b>	<b>Amount</b>
				10/25/10	\$ 50.00
10/26/10	1152	\$ 50.00	10/27/10		
				10/27/10	100.00
10/28/10	1154	100.00	10/29/10		
				01/28/11	100.00
01/29/11	1230	100.00	02/01/11		
				04/27/11	50.00
04/28/11	1245	50.00	04/29/11		
				08/26/11	100.00
				08/27/11	50.00
08/29/11	1205	160.00	08/30/11		
				08/29/11	170.00
08/30/11	1283	170.00	08/31/11		
				09/24/11	100.00
09/25/11	1290	120.00	09/27/11		
				09/27/11	120.00
09/28/11	1293	120.00	09/29/11		
				09/29/11	120.00
09/29/11	1294	130.00	09/30/11		
				10/17/11	100.00
				10/17/11	20.00
10/17/11	1297	120.00	10/18/11		

**Non-University IDT Account**

Check Date	Check Number	Amount	Date Cleared Bank	Deposit	
				Bank Date	Amount
10/25/10	1698	\$ 50.00	10/26/10	10/26/10	\$ 50.00
10/27/10	1672	100.00	10/28/10	10/28/10	100.00
01/28/11	1674	100.00	02/01/11	01/31/11	100.00
04/27/11	1645	50.00	04/28/11	04/28/11	50.00
08/26/11	1646	100.00	08/30/11	08/29/11	160.00
08/27/11	1648	50.00	08/30/11		
08/29/11	1650	170.00	08/30/11	08/30/11	170.00
09/24/11	1651	100.00	09/27/11	09/26/11	120.00
09/26/11	1653	120.00	09/28/11	09/28/11	120.00
09/29/11	1655	120.00	09/30/11	09/29/11	130.00
10/17/11	1657	100.00	10/19/11	10/17/11	120.00
10/17/11	1676	20.00	10/19/11		

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Selected Transactions Between Daniel Wells' Personal Account and the Non-University IDT Account  
For the period December 1, 2005 through February 28, 2014

<b>Daniel Wells' Personal Account</b>					
<b>Per Check Image</b>			<b>Date Cleared Bank</b>	<b>Deposit</b>	
<b>Check Date</b>	<b>Check Number</b>	<b>Amount</b>		<b>Bank Date</b>	<b>Amount</b>
				10/18/11	\$ 70.00
				10/18/11	130.00
10/18/11	1264	200.00	10/20/11		
				10/20/11	200.00
10/20/11	1265	200.00	10/24/11		
				10/22/11	250.00
				10/23/11	150.00
10/23/11	1267	400.00	10/25/11		
				10/25/11	250.00
				10/25/11	200.00
10/25/11	1269	450.00	10/27/11		
				10/27/11	300.00
				10/27/11	200.00
				10/29/11	50.00
10/27/11	1272	550.00	10/31/11		
				11/27/11	60.00
				11/29/11	100.00
11/28/11	1207	60.00	11/29/11		
11/28/11	1208	110.00	11/30/11		
				12/23/11	100.00
12/23/11	1298	100.00	12/27/11		

**Non-University IDT Account**

Check Date	Check Number	Amount	Date Cleared Bank	Deposit	
				Bank Date	Amount
10/17/11	1661	70.00	10/20/11		
10/18/11	1658	130.00	10/20/11		
				10/19/11	200.00
10/19/11	1662	200.00	10/24/11		
				10/21/11	200.00
10/22/11	1663	250.00	10/25/11		
10/22/11	1664	150.00	10/25/11		
				10/24/11	400.00
10/24/11	1677	250.00	10/26/11		
10/24/11	1665	200.00	10/27/11		
				10/26/11	450.00
10/25/11	1680	300.00	10/28/11		
10/25/11	1678	200.00	10/31/11		
10/27/11	1685	50.00	11/01/11		
				10/28/11	550.00
11/27/11	1681	60.00	11/29/11		
11/28/11	1682	100.00	12/02/11		
				11/28/11	60.00
				11/29/11	110.00
12/22/11	1683	100.00	12/27/11		
					100.00

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Selected Transactions Between Daniel Wells' Personal Account and the Non-University IDT Account  
For the period December 1, 2005 through February 28, 2014

<b>Daniel Wells' Personal Account</b>					
<b>Per Check Image</b>			<b>Date Cleared Bank</b>	<b>Deposit</b>	
<b>Check Date</b>	<b>Check Number</b>	<b>Amount</b>		<b>Bank Date</b>	<b>Amount</b>
				12/25/11	150.00
				12/27/11	50.00
12/27/11	1184	200.00	12/28/11		
				12/28/11	200.00
12/28/11	1185	250.00	12/30/11		
				01/21/12	100.00
01/23/12	1160	150.00	01/26/12		
				01/25/12	200.00
				01/26/12	50.00
01/24/12	1191	250.00	01/30/12		
				01/27/12	250.00
				01/27/12	50.00
01/29/12	1193	300.00	02/01/12		
				02/17/12	200.00
				02/20/12	50.00
				02/21/12	50.00
02/20/12	1196	300.00	02/23/12		
				02/22/12	340.00
02/21/12	1211	350.00	02/27/12		
				02/24/12	350.00
				02/24/12	100.00
02/26/12	1161	450.00	02/29/12		

**Non-University IDT Account**

Check Date	Check Number	Amount	Date Cleared Bank	Deposit	
				Bank Date	Amount
12/24/11	1684	150.00	12/27/11		
12/27/11	1686	50.00	12/29/11		
				12/27/11	200.00
12/26/11	1688	200.00	12/29/11		
				12/29/11	250.00
01/21/12	1700	100.00	01/24/12		
				01/24/12	150.00
01/24/12	1702	200.00	01/27/12		
01/25/12	1701	50.00	01/30/12		
				01/26/12	250.00
01/25/12	1703	250.00	01/31/12		
01/25/00	1704 #	50.00	01/30/12		
				01/30/12	300.00
02/17/12	1689	200.00	02/21/12		
02/19/12	1690	50.00	02/21/12		
02/20/12	1707	50.00	02/23/12		
				02/21/12	300.00
02/21/12	1708 ^	350.00	02/23/12		
				02/23/12	350.00
02/21/12	1710	350.00	02/27/12		
02/22/12	1711	100.00	02/28/12		
				02/27/12	450.00

Report on Special Investigation of the  
University of Northern Iowa  
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Selected Transactions Between Daniel Wells' Personal Account and the Non-University IDT Account  
For the period December 1, 2005 through February 28, 2014

<b>Daniel Wells' Personal Account</b>						
<u>Per Check Image</u>			<u>Date</u>	<u>Deposit</u>		
<u>Check</u>	<u>Check</u>	<u>Amount</u>	<u>Cleared</u>	<u>Bank</u>	<u>Bank Date</u>	<u>Amount</u>
<u>Date</u>	<u>Number</u>		<u>Bank</u>			
					04/27/12	150.00
04/27/12	1213	150.00	05/01/12			
					04/28/12	150.00
04/30/12	1165	150.00	05/02/12			
					05/25/12	200.00
05/28/12	1167	200.00	05/31/12			
					05/30/12	300.00
05/28/12	1169	300.00	06/01/12			
					08/20/12	100.00
08/21/12	1214	100.00	08/24/12			
					08/23/12	200.00
					08/23/12	200.00
08/23/12	1215	400.00	08/28/12			
					08/27/12	400.00
					08/27/12	50.00
08/27/12	1216	450.00	08/30/12			
					08/28/12	50.00
					08/29/12	480.00
08/29/12	1217	530.00	09/04/12			

**Non-University IDT Account**

Check Date	Check Number	Amount	Date Cleared Bank	Deposit	
				Bank Date	Amount
04/27/12	1712	150.00	05/01/12	04/27/12	150.00
04/28/12	1713	150.00	05/01/12	04/30/12	150.00
05/25/12	1714	200.00	05/30/12	05/29/12	200.00
05/28/12	1715	300.00	05/31/12	05/30/12	300.00
08/19/12	1601	100.00	08/23/12	08/22/12	100.00
08/22/12	1602	200.00	08/23/12		
08/23/12	1603	200.00	08/23/12	08/24/12	400.00
08/27/12	1604	400.00	08/28/12		
08/27/12	1605	50.00	08/29/12	08/28/12	450.00
08/28/12	1607	480.00	08/30/12		
08/28/12	1606	50.00	08/31/12	08/30/12	530.00

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Selected Transactions Between Daniel Wells' Personal Account and the Non-University IDT Account  
For the period December 1, 2005 through February 28, 2014

<b>Daniel Wells' Personal Account</b>					
Per Check Image			Date Cleared Bank	Deposit	
Check Date	Check Number	Amount		Bank Date	Amount
				09/12/12	50.00
09/12/12	1222	50.00	09/17/12		
				09/17/12	100.00
09/18/12	1223	100.00	09/21/12		
				09/20/12	300.00
09/23/12	1224	150.00	09/26/12		
Total		\$ 8,020.00			8,010.00 ^

# - The image of check #1704 issued from the non-University IDT account shows the check date was 01/25/00. However, based on images of other checks issued the same day, the date should have been 01/25/12.

^ - Check #1708 was issued from the non-University IDT account on 02/21/12 for \$350.00, but only \$340.00 of the check proceeds were deposited to Mr. Wells' personal account. As a result, the total amount deposited to Mr. Wells' personal account was \$10.00 less than the other totals.

\*\* - The 09/24/12 deposit to the non-University IDT account totaled \$300.00. It consisted of two \$150.00 checks, but only one of the checks was issued from Mr. Well's personal account.

**Non-University IDT Account**

			<b>Date</b>	<b>Deposit</b>	
<b>Check</b>	<b>Check</b>		<b>Cleared</b>	<b>Bank</b>	
<b>Date</b>	<b>Number</b>	<b>Amount</b>	<b>Bank</b>	<b>Date</b>	<b>Amount</b>
09/11/12	1610	50.00	09/14/12		
				09/13/12	50.00
09/17/12	1611	100.00	09/19/12		
				09/19/12	100.00
09/19/12	1612	300.00	09/26/12		
				09/24/12	150.00 **
		<u>8,020.00</u>			<u>8,020.00</u>

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Costume Purchases  
For the period December 1, 2005 through February 28, 2014

<b>Date</b>	<b>Description</b>	<b>Amount</b>
10/04/06	Costume Universe	\$ 21.12
11/29/06	Hancock Fabrics	15.30
03/02/07	YCI Dance Distributors	31.65
03/27/07	YCI Dance Distributors	19.90
05/08/07	Dance New York	68.25
09/18/07	Dance New York	68.90
10/03/07	HCD*Disc Dance Supply	94.75
10/04/07	YCI*Dance Distributors	64.15
10/17/07	HCD*Disc Dance Supply	50.35
10/19/07	Dance New York	68.90
02/19/08	Dance New York	68.90
03/10/08	Dance New York	134.00
04/02/08	JoAnn Fabric	112.39
04/14/08	JoAnn Fabric	4.90
10/09/08	Hancock Fabrics	14.00
10/15/08	Dance New York	68.90
04/07/09	Dancewear Solution	254.85
09/21/09	HFC*Disc Dance	120.69
03/02/10	Dance New York	274.04
03/17/10	HFC*Disc Dance	60.10
04/01/10	Costumes Galore	343.17
04/07/10	DancewearSolution.com	32.85
04/08/10	DancewearSolution.com	41.90
04/08/10	DancewearSolution.com	136.71
04/09/10	DancewearSolution.com	191.80
04/12/10	DancewearSolution.com	57.35
04/15/10	Costumes Galore	12.00
09/07/10	Dancewear Solution	68.85
11/01/10	HFC*Disc Dance	92.19
02/22/11	HFC*Disc Dance	156.99
02/24/11	HFC*Disc Dance	71.90
03/04/11	Dancewear Solutions	77.41
03/09/11	HFC*Disc Dance	61.41
03/14/11	Dancewear Solutions	50.97

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Costume Purchases  
For the period December 1, 2005 through February 28, 2014

<b>Date</b>	<b>Description</b>	<b>Amount</b>
04/04/11	HFC*Disc Dance	98.95
04/04/11	Hancock Fabrics	50.00
04/05/11	HFC*Disc Dance	124.17
04/13/11	JoAnn Stores	2.65
02/06/12	HFC*Disc Dance	195.98
02/06/12	HFC*Disc Dance	203.32
02/06/12	HFC*Disc Dance	158.75
02/06/12	HFC*Disc Dance	17.90
02/08/12	HFC*Disc Dance	89.96
02/29/12	HFC*Disc Dance	40.94
03/01/12	HFC*Disc Dance	274.20
03/15/12	HFC*Disc Dance	159.40
04/03/12	HFC*Disc Dance	235.76
04/04/12	HFC*Disc Dance	204.47
09/17/12	Hancock Fabrics	16.98
09/17/12	Hancock Fabrics	22.06
09/23/12	Jo-Ann Stores	48.93
10/02/12	Hob-Lob	3.15
10/03/12	Hancock Fabrics	7.79
10/03/12	Hob-Lob	12.58
10/03/12	Jo-Ann Stores	22.31
02/09/13	HFC*Disc Dance	202.01
02/25/13 ^	HFC*Disc Dance	21.78
10/18/13	Hancock Fabrics	3.14
Total		<u>\$ 5,228.72</u>

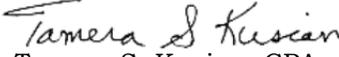
^ - Purchase made with Daniel Wells' personal credit card. All other purchases were made electronically from Mr. Wells' personal account.

Report on Special Investigation of the  
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Staff

This special investigation was performed by:

Annette K. Campbell, CPA, Director  
Brandon Vogel, Senior Auditor

  
Tamera S. Kusian, CPA  
Deputy Auditor of State